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*U.S. technology:  
the rape continues*

A West German businessman and three of his associates were charged by federal prosecutors with conspiring to smuggle \$8 million worth of computers, semiconductor manufacturing equipment and related technology to the Soviet Union. A California-based corporation is under investigation for allegedly diverting more than \$5 million worth of integrated circuits and computer manufacturing to Eastern Bloc countries.

The present military hardware and technology of the Soviet Union has come to seriously threaten that of the United States. Experts note that in some cases, it even surpasses ours. America's technological lead may soon become a thing of the past. Japan's Economic Council, an advisory body of that nation's minister, predicts that by the year 2000, the United States will no longer be the dominant global economic power.

Presently, the Soviet Union and its allies are engaged in a massive rip-off of America's high technology. Experts note that the theft of high technology saves the Soviets at least \$1 billion annually in research and development costs. One

well respected American businessman has warned that the West "will soon face an enemy who possesses weapons of equal technical capability." An experienced top law enforcement official best summarized it as follows: "We develop it, and they steal it."

The theft and diversion of America's high technology is carried out by the KGB (State Security Committee) and the GRU (Chief Intelligence Directorate of the Soviet General Staff). Through a network of spies, dummy corporations, and dishonest American and West European businessmen, KGB and GRU agents are stealing our best technology. Their accomplishments have, to date, been impressive. Take the following cases:

- Sophisticated American computerized drafting equipment has found its way to Moscow through a Swiss corporation.

- Dishonest American and European businessmen helped smuggle laser optical mirrors, which have military application, to the Soviet Bloc.

- Secret data for anti-submarine warfare has made its way to Moscow, with the assistance of American "insiders."

- Federal investigators recently broke a \$10 million industrial theft ring, which dealt with the Soviets.

The Soviets have devoted vast resources and an army of spies to the pilferage of our industrial base. For example, it has been estimated that:

- There are more than 1,000 KGB and GRU spies operating in this country.

- Section "T" of the KGB has been given the task of specifically stealing America's high technology.

- More than 50 KGB officers, and at least 25 GRU agents, have been assigned to the Soviet consulate in San Francisco (to be close to Silicon Valley).

- Soviet-connected intelligence activities have increased by 400 percent in the last 10 years.

- The powerful Moscow-based Military Industrial Commission (VPK) issues an annual "shopping list" of America's high technology to the KGB and GRU.

In part, we have only ourselves to blame for the "rape" of our technology by foreign nations. We have neglected to commit the needed manpower and resources to ensure compliance with our export laws; for example, the Department of Commerce has committed fewer than 20 full-time investigators to this task. In addition, we have failed to develop and institute a comprehensive policy in this area; at best, we have a patchwork of rules and regulations, often at odds with one another. Of equal importance, we have sublimated the national interest to the corporate; the drive for markets has predominated. Perhaps the KGB, in one of their training manuals, has best summarized our failures: "...[Americans] regard money as the sole means of ensuring personal freedom and independence."

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